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DEPARTMENT OF EDUCATION

[Docket ID ED-2018-FSA-014]

Privacy Act of 1974; System of Records

AGENCY: Federal Student Aid, U.S. Department of Education.

ACTION: Notice of a Modified System of Records.

SUMMARY: In accordance with the Privacy Act of 1974, as amended (Privacy Act), the Chief Operating Officer for Federal Student Aid (FSA) of the Department of Education (Department) publishes this notice of a modified system of records entitled "National Student Loan Data System (NSLDS)" (18-11-06). The information contained in this system is maintained for various purposes relating to students and borrowers. This includes determining student/borrower eligibility for Federal student financial assistance under the programs authorized by title IV of the Higher Education Act of 1965, as amended (HEA). The information contained in this system is also maintained to assist institutions of higher education in participating in and administering the title IV HEA programs by verifying the eligibility of borrowers and tracking loans. The information maintained in this system is also maintained to assist the Department's oversight and administration of the title IV HEA programs including evaluating their

effectiveness.

DATES: Submit your comments on this modified system of records notice on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

This modified system of records notice will become applicable upon publication in the *Federal Register* on [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]. Modified routine uses -- (1)(f), 1(g), and (1)(p), (3), (5), (7)(b), (8), (11), and (12) -- and new routine use (13) outlined in the paragraph entitled "ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND PURPOSES OF SUCH USES" will become applicable on [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*], unless the modified system of records notice needs to be changed as a result of public comment. The Department will publish any changes resulting from public comment.

ADDRESSES: Submit your comments through the Federal eRulemaking Portal or via postal mail, commercial delivery, or hand delivery. We will not accept comments submitted by fax or those submitted after the comment period. To ensure that we do not receive duplicate copies, please submit your comments only once. In addition, please include the Docket ID at the top of your comments.

- Federal eRulemaking Portal: Go to www.regulations.gov to submit your comments electronically. Information on using Regulations.gov, including instructions for accessing agency documents, submitting comments, and viewing the docket, is available on the site under the "help" tab.

- Postal Mail, Commercial Delivery, or Hand Delivery: If you mail or deliver your comments about this modified system of records, address them to: Director, Systems Integration Division, System Operations and Aid Delivery Management Services, Business Operations, Federal Student Aid (FSA), U.S. Department of Education, Union Center Plaza (UCP), 830 First Street, NE, room 41F1, Washington, DC 20202-5454.

Privacy Note: The Department's policy is to make all comments received from members of the public available for public viewing in their entirety on the Federal eRulemaking Portal at www.regulations.gov. Therefore, commenters should be careful to include in their comments only information that they wish to make publicly available.

Assistance to Individuals with Disabilities in Reviewing the Rulemaking Record: On request we will provide an appropriate accommodation or auxiliary aid to an individual with a disability who needs assistance to review the

comments or other documents in the public rulemaking record for this notice. If you want to schedule an appointment for this type of accommodation or auxiliary aid, please contact the person listed under FOR FURTHER INFORMATION CONTACT.

FOR FURTHER INFORMATION CONTACT: Valerie Sherrer,
Director, System Integration Manager, System Integration
Division, System Operations and Aid Delivery Management
Services, Business Operations, FSA, U.S. Department of
Education, UCP, 830 First Street, NE, room 41F1,
Washington, DC 20202-5454.

If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), you may call the Federal Relay Service (FRS), toll free, at 1-800-877-8339.

SUPPLEMENTARY INFORMATION:

Introduction:

The National Student Loan Data System (18-11-06) was last published in full in the *Federal Register* on June 28, 2013 (78 FR 38963) and most recently altered on April 2, 2014 (79 FR 18534).

One of the reasons that the Department is modifying the system of records is to indicate that the purposes of the system include assisting the Department in identifying individuals who have student loans that may be eligible for

a total and permanent disability (TPD) discharge and streamlining the process for applying for a TPD discharge. Three purposes of the system have been updated to the section entitled "PURPOSE(S) OF THE SYSTEM" to include providing data for the calculation of performance metrics related to gainful employment programs, informing qualified individuals about TPD discharges and streamlining the process for applying for a TPD discharge, and providing additional consumer tools to prospective students on loan repayment rates, completion rates, and median debt to better evaluate the effectiveness of institutions. Furthermore, the section is being modified to remove providing an Exit Counseling tool for grant and loan programs as a purpose of the system. The Data Challenges and Appeals Solutions (DCAS) (18-11-18) system of records notice published in the *Federal Register* on September 21, 2015 (80 FR 56969-56972) covers records that allow institutions to electronically challenge the data used in the gainful employment calculations. The Department published the DCAS system of records notice but did not utilize the system it was intended to cover. The Department will publish a modified system of records notice amending the DCAS system of records notice to remove references to gainful employment calculations in order to

not have duplicating system of records notices for these records.

We also have modified the section entitled "SECURITY CLASSIFICATION" to change it from "none" to "unclassified" and the section entitled "SYSTEM LOCATION" to reflect the current name of the data center, and to include the location of the system manager as well as an additional location for the system. The Department is also including the two locations of customer service centers where records are also maintained. The section entitled "SYSTEM MANAGER" also has been updated to reflect the creation of the System Integration Division within FSA's System Operations and Aid Delivery Management Services.

The section entitled "CATEGORIES OF RECORDS IN THE SYSTEM" has been updated to include information obtained from other Federal agencies to assist the Department in identifying individuals who have student loans that may be eligible for a TPD discharge and to streamline the process for applying for a TPD discharge.

The section entitled "RECORD SOURCE CATEGORIES" has been updated to include information obtained from other Federal agencies and from other persons or entities from which data is obtained under the routine uses set forth in the system of records notice. This section also has been

updated to indicate that information is obtained from students and parents, rather than indicating that information is only obtained via the "Free Application for Federal Student Aid completed by students and parents."

The Department is modifying programmatic routine use (1)(f) to permit the Department to disclose records to support governmental research and policy analysis by governmental organizations at the Federal, State, or local level, rather than by Federal State, and local agencies, and to replace a requirement ensuring compliance with the Privacy Act with a requirement that the recipient must agree to establish and maintain safeguards to protect the security and confidentiality of the disclosed records.

The Department is modifying programmatic routine use (1)(g) to clarify that in order to support Federal budget analysts in the development of budget needs and forecasts, the Department may disclose records to the Congressional Budget Office (CBO), in addition to Federal and State agencies.

The Department is also making a minor modification to programmatic routine use (1)(p) to clarify that the U.S. Department of the Treasury is an additional Federal agency with which the Department may share data in NSLDS in order for the Department to evaluate program effectiveness and to

provide the public with greater transparency about programs that receive title IV funds.

The Department is removing routine use (2) entitled "Disclosure for Use by Other Law Enforcement Agencies" because the component of FSA that maintains the system is not a law enforcement agency.

The Department is modifying routine use (3) (c), formerly routine use (4) (c), to insert the word "person" in place of the word "individual" to avoid confusion because "individual" is a defined term in the Privacy Act.

The Department is also modifying routine use (5), formerly routine use (6), to remove the reference to "safeguards required under the Privacy Act (5 U.S.C. 552a(m))" to now require that all contractors agree to establish and maintain safeguards to protect the security and confidentiality of the disclosed records. The Department is also removing language that indicated that the Department would require these safeguards "before entering into such a contract" to instead indicate that they will be included "as part of such a contract."

The Department is updating routine use (7) (b), formerly routine use (8) (b), to include FSA contractors as entities to which the Department may disclose records in order to permit FSA contractors to make hiring or retention

decisions or to take other personnel actions with respect to their own employees, to the extent that they determine that such records are relevant and necessary to their decision or action.

The Department is modifying routine use (8), formerly routine use (9), to standardize it with other language used by the Department to permit disclosure of records in the Department's systems of records when they are relevant and necessary to employee grievances, complaints, or disciplinary actions.

The Department is modifying routine use (11), formerly routine use (12), to permit the Department to disclose records to the CBO, in addition to the Office of Management and Budget, as necessary to fulfill the requirements of the Federal Credit Reform Act of 1990, as amended, in accordance with 2 U.S.C. 661b.

Pursuant to the requirements in Office of Management and Budget Memorandum M-17-12 entitled "Preparing for and Responding to a Breach of Personally Identifiable Information," the Department is also adding an additional routine use (13) to permit the Department to disclose records from this system of records in the course of assisting another Federal agency or entity in responding to a breach of data as well as modifying routine use (12),

formerly routine use (13), permitting the Department to disclose records from this system of records in responding to a breach of data in this system of records.

The Department is updating the section entitled "POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS" to reference the current, updated Department records retention and disposition schedule, as approved by the National Archives and Records Administration (NARA), covering records in this system.

The section entitled "ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS" has also been modified to more clearly and comprehensively explain how the data in NSLDS is protected.

The sections entitled "RECORD ACCESS PROCEDURES," "CONTESTING RECORD PROCEDURES," and "NOTIFICATION PROCEDURES" were modified to define the "necessary particulars" needed to access, contest, or be notified of a record.

The Department has also added a section entitled "HISTORY."

Accessible Format: Individuals with disabilities can obtain this document in an accessible format (e.g., braille, large print, audiotape, or compact disc) on

request to the person listed under FOR FURTHER INFORMATION CONTACT.

Electronic Access to This Document: The official version of this document is the document published in the *Federal Register*. You may access the official edition of the *Federal Register* and the Code of Federal Regulations at www.govinfo.gov. At this site you can view this document, as well as all other documents of this Department published in the *Federal Register*, in text or Portable Document Format (PDF). To use PDF you must have Adobe Acrobat Reader, which is available free at the site.

You may also access documents of the Department published in the *Federal Register* by using the article search feature at www.federalregister.gov. Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

Dated: September 3, 2019

Mark A. Brown,
Chief Operating Officer,
Federal Student Aid.

For the reasons discussed in the preamble, the Chief Operating Officer, Federal Student Aid (FSA), of the U.S. Department of Education (Department), publishes a notice of a modified system of records to read as follows:

SYSTEM NAME AND NUMBER:

National Student Loan Data System (NSLDS) (18-11-06).

SECURITY CLASSIFICATION:

Unclassified.

SYSTEM LOCATION:

Director, System Integration Division, System Operations and Aid Delivery Management Services, Business Operations, Federal Student Aid (FSA), U.S. Department of Education, UCP, 830 First Street, NE, room 41F1, Washington, DC 20202-5454.

Mid-Atlantic Data Center (MDC), 250 Burlington Drive, Clarksville, Virginia 23927-3201.

Briefcase Systems (BSD), 3330 N. Washington Street, Arlington, VA 22201.

The following two listings are the locations of the NSLDS Customer Service Centers:

NSLDS Call Center is located at 3833 Greenway Drive, Lawrence, Kansas 66046.

General Dynamics Information Technology (GDIT), 2450 Oakdale Blvd, Coralville, IA 52241.

SYSTEM MANAGER(S):

Director, System Integration Division, System Operations and Aid Delivery Management Services, Business Operations, Federal Student Aid (FSA), U.S. Department of Education, UCP, 830 First Street, NE, room 41F1, Washington, DC 20202-5454.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

The authority under which the system is maintained includes sections 101, 102, 132(i), 485, and 485B of the Higher Education Act of 1965, as amended (HEA) (20 U.S.C. 1001, 1002, 1015a(i), 1092, and 1092b) and section 431 of the General Education Provisions Act (20 U.S.C. 1231a(2)-(3)). The collection of Social Security numbers (SSNs) of borrowers who are covered by this system is authorized by 31 U.S.C. 7701 and Executive Order 9397 (November 22, 1943), as amended by Executive Order 13478 (November 18, 2008).

PURPOSE(S) OF THE SYSTEM:

The information contained in this system is maintained for the following purposes relating to students and borrowers: (1) to determine student/borrower eligibility for federal student financial aid programs authorized by title IV of the HEA by NSLDS pre- and post-screening processes; (2) to report changes in student/borrower

enrollment status and enrollment in gainful employment programs; (3) to track loan borrowers and students who owe grant overpayment amounts (debtors); (4) to provide web-based access for borrowers/students to their loan, grant, and enrollment data; (5) to maintain information on the status of student loans; (6) to maintain information on the Federal Pell Grant program, the Academic Competitiveness Grants (ACG) program, the National Science and Mathematics Access to Retain Talent (National SMART) Grant program, the Teacher Education Assistance for College and Higher Education (TEACH) Grant program, the Federal Supplemental Educational Opportunity Grant (FSEOG) program, and the Iraq and Afghanistan Service Grant program awards to students; (7) to provide borrowers and NSLDS users with loan refund/cancellation details; (8) to track the level of study and Classification of Instructional Programs (CIP) code of students' programs to limit eligibility for Direct Subsidized Loans to no more than 150 percent of the published length of the educational program in which the student is enrolled, and to determine when a borrower who enrolls after reaching the 150 percent limit will be responsible for the accruing interest on outstanding Direct Subsidized Loans; (9) to inform qualifying individuals about total and permanent disability (TPD) discharges and

to streamline the process for applying for a discharge; and (10) to provide consumer tools to prospective students and borrowers to better evaluate the effectiveness of institutions' costs, financial aid, loan repayment rates, completion rates, median debts, and aggregate earnings of title IV aid recipients who were enrolled at postsecondary institutions participating in the title IV HEA programs so that prospective students can make informed decisions about which postsecondary institution to attend.

The information in NSLDS is also maintained for the following purposes relating to institutions of higher education participating in and administering the title IV HEA programs: (1) to permit Department staff, Department contractors, guaranty agencies, eligible lenders, and eligible institutions of higher education to verify the eligibility of a student, potential student, or parent for loans or Pell grants; (2) to provide student aggregate loan calculations to educational institutions; (3) to track loan transfers from one holder or servicer to another; (4) to determine default rates for educational institutions, guaranty agencies, and lenders; (5) to prepare electronic financial aid histories on students or borrowers for educational institutions, guaranty agencies, Department staff, and Department contractors; (6) to alert educational

institutions of changes in financial aid eligibility of students via the Transfer Student Monitoring process; (7) to assist Department staff, Department contractors and agents, guaranty agencies, educational institutions, lenders, and servicers in collecting debts arising from the receipt of title IV, HEA funds; (8) to assess title IV, HEA program activities by guaranty agencies, educational institutions, lenders, and servicers; (9) to display organizational contact information provided by educational institutions, guaranty agencies, lenders, and servicers; (10) to provide reporting capabilities for educational institutions, guaranty agencies, lenders, and servicers for use in title IV, HEA administrative functions and for the Department for use in oversight and compliance; (11) to provide financial institutions and servicers, Department staff, and Department contractors with contact information on loan holders for use in the collection of loans; (12) to provide schools and servicers with information to resolve overpayments of Pell, ACG, National SMART, TEACH, Iraq and Afghanistan Service Grants, and FSEOG grants; (13) to assist Department staff, contractors, guaranty agencies, and the Department of Justice in the collection of debts owed to the Department under title IV of the HEA; (14) to obtain data on and to report on students in a gainful

employment program for the purposes of establishing whether a particular gainful employment program is successfully preparing students to be gainfully employed and making this information available to the institution; (15) to obtain data and report the level of study, CIP code, and published length of an educational program in which a student receiving title IV, HEA Federal student aid is enrolled to ensure his or her eligibility for Direct Subsidized Loans is limited to no more than 150 percent of the published length of the educational program, and to determine when a borrower who enrolls after reaching the 150 percent limit will be responsible for the accruing interest on outstanding Direct Subsidized Loans; (16) to provide consumer tools that are designed to simplify information that prospective students receive about costs, financial aid, loan repayment rates, completion rates, median debts, and aggregate earnings of title IV aid recipients who were enrolled at postsecondary institutions participating in the title IV, HEA programs so that these prospective students can make informed decisions about which postsecondary institution to attend, and (17) to provide data for institutions to challenge their gainful employment performance metrics.

The information maintained in this system is also

maintained for the following purposes relating to the Department's oversight and administration of the title IV, HEA programs: (1) to assist audit and program review planning; (2) to support research studies and policy development; (3) to conduct budget analysis and program review planning; (4) to provide information that supports the Department's compliance with the Federal Credit Reform Act of 1990, as amended (CRA) (2 U.S.C. 661 et seq.); (5) to ensure only authorized users access the database and to maintain a history of the student/borrower information reviewed; (6) to track the Department's interest in loans funded through the Ensuring Continued Access to Student Loan Act of 2008 (ECASLA) (P.L. 110-227); (7) to track TEACH grants that have been converted to loans; (8) to track eligibility for Public Service Loan Forgiveness; (9) to assist in the calculation of metrics related to gainful employment programs; (10) to provide data for program oversight and strategic decision-making in the administration of higher education programs; (11) to track eligibility for Direct Subsidized Loans and interest subsidy based upon the level of study, CIP code, and published length of the educational program in which a student is enrolled; and (12) to evaluate the effectiveness of an institution's education programs, and help provide

information to the public at the institutional and programmatic level on this effectiveness.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

This system contains records on individual recipients of aid under the title IV, HEA programs.

This system contains records on borrowers who received loans under one of the programs authorized under title IV of the HEA including the (1) Direct Loan Program, (2) Federal Family Education Loan (FFEL) Program, (3) Federal Insured Student Loan (FISL) Program, and (4) Federal Perkins Loan Program (including National Defense Student Loans, National Direct Student Loans, and Perkins Expanded Lending and Income Contingent Loans) (Perkins Loans). The system also contains records on recipients of Federal Pell Grants, ACG, National SMART Grants, TEACH Grants, and Iraq and Afghanistan Service Grants, as well as on individuals who owe an overpayment on a Federal Pell Grant, an ACG, a National SMART Grant, a FSEOG, an Iraq and Afghanistan Service Grant, or a Federal Perkins Loan.

NSLDS further contains student enrollment information for individuals who have received title IV, HEA student assistance as well as Master Conduit Loan Program Data, Master Loan Participation Program (LPP) Data, and loan-level detail on FFEL Subsidized, Unsubsidized, and PLUS

loans funded through those programs.

The system also contains records on students who are title IV, HEA recipients and who attended, or who are attending, a gainful employment program at a postsecondary educational institution.

The system also contains records on the level of study, CIP code, and published length of an educational program in which a student receiving title IV, HEA Federal student aid is enrolled to limit his or her eligibility for Direct Subsidized Loans to no more than 150 percent of the published length of the educational program in which the student is enrolled, and to determine when a borrower who enrolls after reaching the 150 percent limit will be responsible for the accruing interest on outstanding Direct Subsidized Loans.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records in NSLDS include, but are not limited to: (1) borrower identifier information including SSN, name, date of birth, address, phone number, email address, and driver's license information; (2) information on the borrower's loan(s) covering the period from the origination of the loan through final payment, cancellation, consolidation, discharge, or other final disposition including details such as loan amount, disbursements,

balances, loan status, repayment plan payments and related information, collections, claims, deferments, forbearances, refunds, and cancellations; (3) for students who began a program of study that prepares them for gainful employment in a recognized occupation pursuant to sections 1001 and 1002 of the HEA ("gainful employment program"), student identifiers including the student's SSN, date of birth, and name, student enrollment information including the Office of Postsecondary Education identification number (OPEID number) of the institution, the CIP code for the gainful employment program in which the student enrolled, and, if the student completed the program, the completion date and the CIP code of the completed program, the level of study, the amount of the student's private educational loan debt, the amount of institutionally provided financing owed by the student, and whether the student matriculated to a higher credentialed program at the same institution or another institution; (4) aggregated income information on graduates and non-completers of particular gainful employment programs, and the median loan debt incurred by students enrolled in the gainful employment program, regardless of whether they completed the program; (5) student demographic information, such as dependency status, citizenship, veteran status, marital status, gender, income

and asset information (including income and asset information on the student's spouse, if married), expected family contribution, and address; (6) information on the parent(s) of a dependent recipient, including, but not limited to: name, date of birth, SSN, marital status, email address, highest level of schooling completed, and income and asset information; (7) information related to a borrower's application for an income-driven repayment plan, including information such as current income, family size, repayment plan selection, and, if married, information about the borrower's spouse; (8) Federal Pell Grant, ACG Grant, National SMART Grant, TEACH Grant, and Iraq and Afghanistan Service Grant amounts and dates of disbursement; (9) Federal Pell Grant, ACG Grant, National SMART Grant, Iraq and Afghanistan Service Grant, FSEOG, and Federal Perkins Loan Program overpayment amounts; (10) demographic and contact information on the guaranty agency that guarantees the borrower's FFEL loan and the lender(s), holder(s), and servicer(s) of the borrower's loan(s); (11) NSLDS user profiles that include name, SSN, date of birth, employer, and NSLDS user name; (12) information concerning the date of any default on loans and the aggregated loan data to support cohort default rate calculations for educational institutions, financial institutions, and

guaranty agencies; (13) pre- and post-screening results used to determine a student's or parent's aid eligibility; (14) information on financial institutions participating in the loan participation and sale programs established by the Department under ECASLA, including the collection of: ECASLA loan-level funding amounts, dates of ECASLA participation for financial institutions, dates and amounts of loans sold to the Department under ECASLA, and the amount of loans funded by the Department's programs but repurchased by the lender; (15) information on the student's educational institution, level of study, the CIP code, and published length for the program in which the student enrolled for an institution or programs of studies at the institution; and (16) information obtained pursuant to matching programs, which includes Medical Improvement Not Expected disability status from the U.S. Social Security Administration (SSA) and disability determination dates for any borrower who is a veteran and has received a U.S. Department of Veterans Affairs (VA) disability compensation benefit due to a 100% disabling service-connected disability rating or a determination that the veteran is totally disabled based on an individual unemployability rating, to assist the Department in identifying individuals who have student loans that may be

eligible for a TPD discharge and to streamline the process for applying for a TPD discharge.

RECORD SOURCE CATEGORIES:

Information is obtained from Federal agencies, including SSA and VA, guaranty agencies, educational institutions, financial institutions and servicers, and students and parents. Information is also obtained from other Department systems such as the Federal Loan Servicers (covered by the system of records entitled "Common Services for Borrowers (CSB)"); Debt Management Collection System (covered by the system of records entitled "Common Services for Borrowers (CSB)"); Common Origination and Disbursement System (covered by the system of records entitled "Common Origination and Disbursement (COD) System"); Financial Management System (covered by the system of records entitled "Financial Management System (FMS)"); Student Aid Internet Gateway, Participant Management System (covered by the system of records entitled "Student Aid Internet Gateway (SAIG), Participation Management System"); Postsecondary Education Participants System (covered by the system of records entitled "Postsecondary Education Participants System"); and Central Processing System (covered by the system of records entitled "Federal Student Aid Application File"). Information in this system also

may be obtained from other persons or entities from which data is obtained under routine uses set forth below.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND PURPOSES OF SUCH USES:

The Department may disclose information contained in a record in this system of records under the routine uses listed in this system of records notice without the consent of the individual if the disclosure is compatible with the purposes for which the record was collected. These disclosures may be made on a case-by-case basis or, if the Department has complied with the computer matching requirements of the Privacy Act of 1974, as amended (Privacy Act), under a computer matching agreement.

(1) *Program Disclosures.* The Department may disclose records to the specified users for the following program purposes:

(a) To verify the identity of the applicant involved, the accuracy of the record, or to assist with the determination of program eligibility and benefits, as well as institutional program eligibility, the Department may disclose records to the applicant, guaranty agencies, educational institutions, financial institutions and servicers, and to Federal and State agencies;

(b) To support default rate calculations and/or

provide information on borrowers' current loan status, the Department may disclose records to guaranty agencies, educational institutions, financial institutions and servicers, and State agencies;

(c) To determine if educational programs lead to gainful employment in a recognized occupation, the Department may disclose records to educational institutions;

(d) To provide financial aid history information to aid in their administration of title IV, HEA programs, the Department may disclose records to educational institutions, guaranty agencies, loan holders, or servicers;

(e) To support auditors and program reviewers in planning and carrying out their assessments of title IV, HEA program compliance, the Department may disclose records to guaranty agencies, educational institutions, financial institutions and servicers, and to Federal, State, and local agencies;

(f) To support governmental researchers and policy analysts, the Department may disclose records to governmental organizations at the Federal, State, or local level, using safeguards for system integrity and provided that the recipient agrees to establish and maintain

safeguards to protect the security and confidentiality of the disclosed records;

(g) To support Federal budget analysts in the development of budget needs and forecasts, the Department may disclose records to the Congressional Budget Office (CBO) and to Federal and State agencies;

(h) To assist in locating holders of loan(s), the Department may disclose records to students/borrowers, guaranty agencies, educational institutions, financial institutions and servicers, and Federal agencies;

(i) To assist analysts in assessing title IV, HEA program participation by guaranty agencies, educational institutions, and financial institutions and servicers, the Department may disclose records to Federal and State agencies;

(j) To assist loan holders in locating borrowers, the Department may disclose records to guaranty agencies, educational institutions, financial institutions that hold an interest in the loan and their servicers, and to Federal agencies;

(k) To assist with meeting requirements under the CRA, the Department may disclose records to Federal agencies;

(l) To assist program administrators with tracking

refunds and cancellations of title IV, HEA loans, the Department may disclose records to guaranty agencies, educational institutions, financial institutions and servicers, and to Federal and State agencies;

(m) To enforce the terms of a loan, assist in the collection of a loan, or assist in the collection of an aid overpayment, the Department may disclose records to guaranty agencies, loan servicers, educational institutions and financial institutions, to the Department of Justice and private counsel retained by the Department of Justice, and to other Federal, State, or local agencies;

(n) To assist the Department in tracking loans funded under ECASLA, the Department may disclose records to Federal agencies;

(o) To assist the Department in complying with requirements that limit eligibility for Direct Subsidized Loans to no more than 150 percent of the published length of the educational program in which the student is enrolled, and to determine when a borrower who enrolls after reaching the 150 percent limit will be responsible for the interest accruing on outstanding Direct Subsidized Loans thereafter, the Department may disclose records to the applicant, guaranty agencies, educational institutions, financial institutions and servicers, and to Federal and

State agencies; and

(p) To obtain data needed to assist the Department in evaluating the effectiveness of an institution's education programs and to provide the public with greater transparency about the level of economic return of an educational institution and their programs that receive title IV, HEA program assistance, the Department may disclose records to educational institutions and to Federal and State agencies, including the Social Security Administration and the U.S. Department of the Treasury.

(2) *Enforcement Disclosure.* In the event that information in this system of records indicates, either on its face or in connection with other information, a violation or potential violation of any applicable statute, regulation, or order of a competent authority, the Department may disclose the relevant records to the appropriate agency, whether foreign, Federal, State, Tribal, or local, charged with the responsibility of investigating or prosecuting that violation or charged with enforcing or implementing the statute, Executive Order, rule, regulation, or order issued pursuant thereto.

(3) *Litigation and Alternative Dispute Resolution (ADR) Disclosure.*

(a) *Introduction.* In the event that one of the

following parties listed in sub-paragraphs (i) through (v) is involved in judicial or administrative litigation or ADR, or has an interest in such litigation or ADR, the Department may disclose certain records to the parties described in paragraphs (b), (c), and (d) of this routine use under the conditions specified in those paragraphs:

- (i) The Department or any of its components; or
- (ii) Any Department employee in his or her official capacity; or
- (iii) Any Department employee in his or her individual capacity where the Department of Justice (DOJ) agrees to or has been requested to provide or arrange for representation of the employee; or
- (iv) Any Department employee in his or her individual capacity where the Department requests representation for or has agreed to represent the employee; or
- (v) The United States, where the Department determines that the litigation is likely to affect the Department or any of its components.

(b) *Disclosure to the DOJ.* If the Department determines that disclosure of certain records to the DOJ is relevant and necessary to the judicial or administrative litigation or ADR, the Department may disclose those records as a routine use to the DOJ.

(c) *Adjudicative Disclosure.* If the Department determines that disclosure of certain records to an adjudicative body before which the Department is authorized to appear or to a person or entity designated by the Department or otherwise empowered to resolve or mediate disputes is relevant and necessary to judicial or administrative litigation or ADR, the Department may disclose those records as a routine use to the adjudicative body, person, or entity.

(d) *Disclosure to Parties, Counsel, Representatives, and Witnesses.* If the Department determines that disclosure of certain records is relevant and necessary to judicial or administrative litigation or ADR, the Department may disclose those records as a routine use to the party, counsel, representative, or witness.

(4) *Freedom of Information Act (FOIA) or Privacy Act Advice Disclosure.* The Department may disclose records to the DOJ or the Office of Management and Budget (OMB) if the Department seeks advice regarding whether records maintained in this system of records are required to be disclosed under the FOIA or the Privacy Act.

(5) *Contract Disclosure.* If the Department contracts with an entity to perform any function that requires disclosing records to the contractor's employees, the

Department may disclose the records to those employees. As part of such a contract, the Department shall require the contractor to agree to establish and maintain safeguards to protect the security and confidentiality of the disclosed records.

(6) *Congressional Member Disclosure.* The Department may disclose records to a Member of Congress in response to an inquiry from the Member made at the written request of the individual whose records are being disclosed. The Member's right to the information is no greater than the right of the individual who requested it.

(7) *Employment, Benefit, and Contracting Disclosure.*

(a) *For Decisions by the Department.* The Department may disclose a record to a Federal, State, or local agency maintaining civil, criminal, or other relevant enforcement or other pertinent records, or to another public authority or professional organization, if necessary to obtain information relevant to a Departmental decision concerning the hiring or retention of an employee or other personnel action, the issuance of a security clearance, the letting of a contract, or the issuance of a license, grant, or other benefit.

(b) *For Decisions by Other Public Agencies, Professional Organizations, or FSA Contractors.* The

Department may disclose a record to a Federal, State, local, or other public authority, professional organization, or FSA contractor, in connection with the hiring or retention of an employee or other personnel action, the issuance of a security clearance, the reporting of an investigation of an employee, the letting of a contract, or the issuance of a license, grant, or other benefit, to the extent that the record is relevant and necessary to the receiving entity's decision on the matter.

(8) *Employee Grievance, Complaint, or Conduct Disclosure.* If a record is relevant and necessary to a grievance, complaint, or disciplinary proceeding involving a present or former employee of the Department, the Department may disclose a record from this system of records during the course of investigation, fact-finding, mediation, or adjudication to any party to the grievance, complaint, or action; to the party's counsel or representative; to a witness; or to a designated fact-finder, mediator, or other person designated to resolve issues or decide the matter.

(9) *Labor Organization Disclosure.* The Department may disclose records from this system of records to an arbitrator to resolve disputes under a negotiated grievance procedure or to officials of labor organizations recognized

under 5 U.S.C. 71 when relevant and necessary to their duties of exclusive representation.

(10) *Disclosure to the DOJ.* The Department may disclose records to the DOJ to the extent necessary for obtaining DOJ advice on any matter relevant to an audit, inspection, or other inquiry related to the programs covered by this system.

(11) *Disclosure to the OMB or CBO for CRA Support.* The Department may disclose records to OMB or CBO as necessary to fulfill CRA requirements in accordance with 2 U.S.C. 661b.

(12) *Disclosure in the Course of Responding to Breach of Data.* The Department may disclose records from this system to appropriate agencies, entities, and persons when: (a) the Department suspects or has confirmed that there has been a breach of the system of records; (b) the Department has determined that as a result of the suspected or confirmed breach there is a risk of harm to individuals, the Department (including its information systems, programs and operations), the Federal government, or national security; and (c) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with the Department's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or

remedy such harm.

(13) *Disclosure in Assisting another Agency in Responding to a Breach of Data.* The Department may disclose records from this system to another Federal agency or Federal entity, when the Department determines that information from this system of records is reasonably necessary to assist the recipient agency or entity in (a) responding to a suspected or confirmed breach or (b) preventing, minimizing, or remedying the risk of harm to individuals, the recipient agency or entity (including its information systems, programs, and operations), the Federal Government, or national security, resulting from a suspected or confirmed breach.

DISCLOSURE TO CONSUMER REPORTING AGENCIES:

Disclosures pursuant to 5 U.S.C. 552a(b)(12): The Department may disclose the following information to a consumer reporting agency regarding a valid overdue claim of the Department: (1) the name, address, taxpayer identification number, and other information necessary to establish the identity of the individual responsible for the claim; (2) the amount, status, and history of the claim; and (3) the program under which the claim arose. The Department may disclose the information specified in this paragraph under 5 U.S.C. 552a(b)(12) and the

procedures contained in subsection 31 U.S.C. 3711(e). A consumer reporting agency to which these disclosures may be made is defined in 15 U.S.C. 1681a(f) and 31 U.S.C. 3701(a)(3).

POLICIES AND PRACTICES FOR STORAGE OF RECORDS:

The records are stored electronically.

POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS:

In order for users to retrieve student/borrower information, they must supply the student/borrower SSN, name, and date of birth.

POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

All records are retained and disposed of in accordance with ED Records Schedule 051: National Student Loan Data System (NSLDS) (DAA-0441-2017-0004) (ED 051). Records are destroyed 30 years after cutoff. Cutoff is annually when an applicable account is paid-in-full.

ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS:

Authorized users: Access to the system is limited to authorized NSLDS program personnel and contractors responsible for administering the NSLDS program.

Authorized personnel include ED employees and officials, financial and fiscal management personnel, computer personnel and program managers who have responsibilities

for implementing the NSLDS program. Read-only users:
Read-only access is given to servicers, holders,
financial/fiscal management personnel, and institutional
personnel.

Physical safeguards: Magnetic tapes, disc packs,
computer equipment, and other forms of data are stored in
areas where fire and life safety codes are strictly
enforced. Security guards are staffed 24 hours a day,
seven days a week, to perform random checks on the physical
security of the record storage areas.

Procedural safeguards: A password is required to
access the terminal, and a data set name controls the
release of data to only authorized users. In addition, all
sensitive data is encrypted using Oracle Transparent Data
Encryption functionality. Access to records is strictly
limited to those staff members trained in accordance with
the Privacy Act and Automatic Data Processing (ADP)
security procedures. Contractors are required to maintain
confidentiality safeguards with respect to these records.
Contractors are instructed to make no further disclosure of
the records except as authorized by the System Manager and
permitted by the Privacy Act. All individuals who have
access to these records receive appropriate ADP security
clearances. Department personnel make site visits to ADP

facilities for the purpose of ensuring that ADP security procedures continue to be met. Privacy Act and ADP system security requirements are specifically included in contracts. The NSLDS project directors, project officers, and the system manager oversee compliance with these requirements.

RECORD ACCESS PROCEDURES:

If you wish to gain access to a record in this system, you must contact the system manager with the necessary particulars such as your name, date of birth, SSN, the name of the school or lender from which the loan or grant was obtained, and any other identifying information requested by the Department while processing the request, to distinguish between individuals with the same name. Requests by an individual for access to a record must meet the requirements of the regulations at 34 CFR 5b.5, including proof of identity.

CONTESTING RECORD PROCEDURES:

If you wish to contest the content of a record in the system of records, you must contact the system manager with the necessary particulars such as your name, date of birth, SSN, the name of the school or lender from which the loan or grant was obtained, and any other identifying information requested by the Department while processing

the request, to distinguish between individuals with the same name. You must also identify the specific item(s) to be changed, and provide a justification for the change, including any supporting documentation. Requests to amend a record must meet the requirements of the Department's Privacy Act regulations at 34 CFR 5b.7.

NOTIFICATION PROCEDURES:

If you wish to determine whether a record exists regarding you in this system of records, you must contact the system manager with the necessary particulars such as your name, date of birth, SSN, the name of the school or lender from which the loan or grant was obtained, and any other identifying information requested by the Department while processing the request, to distinguish between individuals with the same name. Requests for notification about whether the system of records contains information about an individual must meet the requirements of the regulations at 34 CFR 5b.5, including proof of identity.

EXEMPTIONS PROMULGATED FOR THE SYSTEM:

None.

HISTORY:

The System of Records entitled "National Student Loan Data System (NSLDS) program" (18-11-06), was published on June 29, 1994 (59 FR 33491-33494), altered on December 20,

1994 (FR 65532-65535), republished in full on December 27, 1999 (64 FR 72395-72397), altered on September 7, 2010 (75 FR 54331-54336), altered and republished in full on June 24, 2011 (76 FR 37095-37100), last published in full in the *Federal Register* on June 28, 2013 (78 FR 38963-38969), and most recently altered on April 2, 2014 (79 FR 18534-18536).

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